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ABSTRACT

This report examines the use of child care vouchers in January 1998 by Illinois and Maryland families who were current or former recipients of cash assistance; also examined are changes between January 1997 and January 1998 in voucher use by children who were ever connected to cash assistance. Information was obtained through administrative data from state subsidy systems and from child care research and referral agencies/networks. The key findings of this report include the following: (1) care by relatives and in-home care were the most common types in Illinois, and center care and family child care were the most common types in Maryland; (2) patterns of care used by families previously on cash assistance were similar to the patterns for families currently on cash assistance; (3) about one quarter of children using vouchers were infants/toddlers, one third were preschoolers, and two fifths were school-age children; (4) families with three or more children were more likely to use relative and in-home care than other types; (5) the most commonly used care varied by the age of the child; (6) numbers of former Temporary Assistance for Needy Families (TANF) children using vouchers grew significantly between 1997 and 1998, while numbers of current TANF children using vouchers remained steady; (7) about half the children using vouchers in January 1997 did not use them one year later; and (8) the largest growth in children using vouchers was in the school-age 10- to 12-year-old population, followed by the infant/toddler population. (KB)

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# A REPORT OF THE NCCP CHILD CARE RESEARCH PARTNERSHIP

## Patterns and Growth of Child Care Voucher Use by Families Connected to Cash Assistance in Illinois and Maryland

Jessica Brickman Piecyk
Ann Collins
J. Lee Kreader

May 1999

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THE JOSEPH L. MAILMAN SCHOOL OF PUBLIC HEALTH
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## National Center for Children in Poverty

National Center for Children in Poverty (NCCP) was established in 1989 at the School of Public Health, Columbia University, with core support from the Ford Foundation and the Carnegie Corporation of New York. The Center's mission is to identify and promote strategies that reduce the number of young children living in poverty in the United States, and that improve the life chances of the millions of children under age six who are growing up poor.

The Center:

- Alerts the public to demographic statistics about child poverty and to the scientific research on the serious impact of poverty on young children, their families, and their communities.
- Designs and conducts field-based studies to identify programs, policies, and practices that work best for young children and their families living in poverty.
- Disseminates information about early childhood care and education, child health, and family and community support to government officials, private organizations, and child advocates, and provides a state and local perspective on relevant national issues.
- Brings together public and private groups to assess the efficacy of current and potential strategies to lower the young child poverty rate and to improve the well-being of young children in poverty, their families, and their communities.
- Challenges policymakers and opinion leaders to help ameliorate the adverse consequences of poverty on young children.

# *Patterns and Growth of Child Care Voucher Use by Families Connected to Cash Assistance in Illinois and Maryland*

**by Jessica Piecyk, Ann Collins, and J. Lee Kreader**

**Jessica Brickman Piecyk**, research associate at NCCP, analyzes data on children who use child care subsidies and the adequacy of child care supply for low-income families for NCCP's Child Care Research Partnership, and investigates state and community implementation of child care and welfare policies in conjunction with the joint NCCP/Abt Associates' National Study of Child Care for Low-Income Families.

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**J. Lee Kreader**, a senior policy analyst at NCCP, coordinates the Child Care Research Partnership and a related study of child care subsidy duration. He also is on the field interview team for the National Study of Child Care for Low-Income Families. He has extensive experience in child care issues for low-income families, having planned and served as first coordinator of Illinois' nationally respected Child Care Resource and Referral system.

**Child Care Research Partnership Report No. 2: *Patterns and Growth of Child Care Voucher Use by Families Connected to Cash Assistance in Illinois and Maryland***

A preliminary discussion draft of this paper was released on April 23, 1999. Since that time, additional analyses have been conducted. This report supersedes the earlier version.

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## NCCP's Child Care Research Partnership

To better inform child care policy making, the Child Care Bureau of the Administration for Children and Families in the U.S. Department of Health and Human Services in 1995 began funding Child Care Research Partnerships. These partnerships use or build upon existing data to increase understanding of child care markets for low-income families and the impact of child care policies on them. The partnerships are composed of university-based researchers and state- and city-level agencies responsible for child care services, including subsidies and resource and referral.

This report is a product of the Child Care Research Partnership led by the National Center for Children in Poverty (NCCP) of Columbia University, Joseph L. Mailman School of Public Health. The partnership includes state and city agencies in Illinois, Maryland, New Jersey, and New York City, as well as other research organizations. NCCP's child care research partners are:

- Illinois Department of Human Services
- Illinois Network of Child Care Resource and Referral Agencies
- Maryland Department of Human Resources Child Care Administration
- Maryland Committee for Children
- New Jersey Department of Human Services
- New Jersey Association of Child Care Resource and Referral Agencies
- The State University of New Jersey, Rutgers
- New York City Human Resources Administration
- New York City Administration for Children's Services
- Child Care, Inc., of New York City
- Manpower Demonstration Research Corporation

In one component of their work, the partners use existing administrative data to examine trends over time in child care subsidy use and child care supply. The majority of the data being analyzed at NCCP come from two sources: data from member state subsidy systems describing subsidized families' basic characteristics and child care arrangements, and data from member child care research and referral (CCR&R) agencies/networks describing regulated child care programs.

## Publications of NCCP's Child Care Research Partnership

This report, the first in a series on child care subsidy use, and the second report from the Partnership, examines the use of child care vouchers in January 1998 by children from Illinois and Maryland families who were current or former recipients of cash assistance. It also examines growth and change between January 1997 and January 1998 in voucher use by children ever connected to cash assistance. A forthcoming report in this series will look more broadly at subsidy use in the two states and will include descriptions of families in both states who have received child care subsidies but have never received cash assistance. The next report will also include Illinois families who use that state's contracted care system, as well as those who use vouchers. Illinois subsidizes child care through both vouchers and contracts; Maryland provides all its child care subsidies through vouchers.

The NCCP Child Care Research Partnership is also publishing reports on child care supply. The first was *A Study of Regulated Child Care Supply in Illinois and Maryland* (1997). Later in 1999, the partnership will release *Then and Now: Regulated Child Care Supply in Illinois and Maryland, 1996–1998*, which will examine changes in the child care supply in the two states. A third Illinois-Maryland report is planned when data from the 2000 census become available.

Future reports from NCCP's Child Care Research Partnership will examine relationships between subsidy use and child care supply in Illinois and Maryland. Other reports will draw on data from the New Jersey, New York City, and Manpower Demonstration Research Corporation partners.


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# KEY FINDINGS

This report examines the use of child care vouchers in January of 1997 and 1998 by children from Illinois and Maryland families who were current or former recipients of cash assistance. It is the second publication from the Child Care Research Partnership at the National Center for Children in Poverty, Columbia University Joseph L. Mailman School of Public Health.

- Patterns of types of care used by families connected to cash assistance in the two states were very different. In Illinois, care by a child's relative was the most common and in-home care was the second most common. In Maryland, center care was the most common and family child care was the next most common.
- Each state's pattern of types of care used by families previously on cash assistance was quite similar to its pattern for families currently on cash assistance.
- Ages of children using vouchers were very similar in the two states. In both, approximately one-quarter were infants and toddlers (under age three), one third were preschoolers (ages 3–5), and two-fifths were school-age children (6–12).
- In both states, families with three or more children were more likely to use relative and in-home care than other types of care.
- In both states, infants and toddlers were the age group most likely to use family child care; preschoolers were the age group most likely to use center care; and school-age children the group most likely to use relative and in-home care.
- Numbers of former TANF children using vouchers grew significantly in both states between January 1997 and January 1998, while numbers of current TANF children using vouchers remained steady.
- In both states, approximately half the children using vouchers in January 1997 did not use them one year later.
- Growth rates in the use of different types of child care varied in the two states. In Illinois, family child care experienced the greatest percentage growth between January 1997 and January 1998. In Maryland, relative and in-home care grew the most during that year. In each state, however, the form of care which experienced the greatest growth in use still remained the form of care least used in January 1998.
- Change in the age distribution of children using vouchers was very similar in the two states between January 1997 and January 1998. In both states, the largest growth occurred in the school-age 10–12 population, followed closely by the infant-and-toddler population.

# INTRODUCTION

For the growing numbers of low-income families making the transition from welfare to work, child care subsidies are an important source of support. This report focuses on children in Illinois and Maryland whose families used child care subsidies while receiving and after leaving cash assistance. These two states have made substantial commitments to help low-income families with their child care costs. The report describes characteristics of these children and the types of care they used in January 1998 and compares these with children who used child care vouchers a year earlier in January 1997. Drawing on data from the child care subsidy administrative systems developed to determine families' eligibility and make payments to child care providers, the report depicts major growth in subsidy use in both states, but reveals very different patterns of care.

Although the federal and state governments have invested substantially in child care subsidies for low-income working families, lack of information has hampered state and local officials and program operators in making child care policy decisions. Little is known about how the level and operation of subsidies promote children's well-being and parents' ability to work. Policymakers and child care administrators grapple with questions of who should be eligible for subsidies, how much families should be required to contribute financially, and what level of payment is adequate for child care providers. Their answers to these and related questions influence how subsidies affect families, children, child care providers, and communities, yet policymakers often operate in an information vacuum about the effects of their decisions. A necessary first step in understanding the multiple effects of child care policies is to examine and describe the characteristics of children and families using child care subsidies and the types of care they use.

Enactment of the federal Personal Responsibility and Work Opportunities Reconciliation Act in August 1996 expanded states' responsibilities for subsidized child care. The new law, often referred to as "welfare reform," ended long-standing guarantees of financial support to low-income families through the Aid to Families with Dependent Children (AFDC) program and created a new program, Temporary Assistance for Needy Families (TANF), which instituted time limits on cash assistance. Low-income families can now receive cash assistance for a maximum of five years in their lifetimes and a maximum of two years without also working. States can adopt shorter time limits, can define "work" within federal guidelines, and can exempt certain families from the work requirement.[1] The welfare reform legislation also combined funding for several major child care subsidy programs for low-income families into a

single new Child Care and Development Fund[2] and gave states a great deal of autonomy in designing their child care subsidy programs. Between the August 1996 enactment of the federal legislation and September 1998, families in welfare caseloads dropped by an average of 34 percent nationwide.[3]

As implementation of state welfare reform strategies moves forward, policymakers are particularly interested in the child care experiences of families who are receiving or have received cash assistance through TANF or AFDC. Current TANF recipients use child care subsidies while participating in work readiness activities and until their employment earnings reach a level at which they no longer qualify for even partial cash assistance. Former recipients use child care subsidies while supporting themselves through employment. Policymakers and program operators want to understand the basic characteristics of these families, the types of child care they use, and the ways these family and child care characteristics change over time. With this information, they can begin to explore the implications of their subsidy policies for children and families, and for child care providers, and determine what works best to meet families' child care needs.

Using data from the Illinois and Maryland subsidy systems, it is possible to develop a picture of children using child care subsidies who have current or past connections to cash assistance and to explore changes in the size and composition of these groups. This report examines the use of subsidies for families receiving TANF or whose records indicate that they have ever received cash assistance either through the Temporary Assistance for Needy Families program or through its predecessor, Aid to Families with Dependent Children.

# METHODOLOGY

This section contains information on the sources and elements of data from Illinois and Maryland and discusses the advantages and disadvantages of using administrative data for policymaking.

## Data Sources and Data Elements

Illinois and Maryland structure their child care subsidy systems differently, and the data generated by each system reflect the differences. Illinois makes child care subsidy payments through two methods: vouchers and contracts. Illinois vouchers, also called "certificates," are issued to eligible families to pay for any legal child care they select that accepts state payments—including relative and in-home care, family child care, and center care. Illinois contracts, by contrast, are negotiated with child care centers and networks of family child care homes to serve blocks of eligible children they enroll. Maryland's subsidized child care system is composed entirely of vouchers to parents for any legal child care accepting state payments, including relative and in-home care, family child care, and center care. Both states transmit monthly data on all families receiving voucher subsidies to the National Center for Children in Poverty (NCCP). Because Illinois contract data are not yet computerized, they are so far not available to NCCP.[4] Thus, the Illinois data sent to NCCP cover only a portion of the state's children receiving child care subsidies, while the Maryland data cover all that state's subsidized children.

This report is based on data from January 1998 with some additional data from January 1997. In January 1998, the Illinois combined voucher and contract subsidy system served approximately 55,600 families with 99,000 children in 113,200 child care arrangements.[5] Those served by vouchers—and for whom NCCP has data—numbered 42,230 families with 82,218 children in 96,309 arrangements. Thus, for January 1998, approximately 83 percent of Illinois children receiving subsidies were served through vouchers and 17 percent through contracts. One-quarter the size of the overall Illinois system, Maryland's voucher system served 14,345 families with 24,910 children in 25,595 arrangements in January 1998. NCCP has data for the entire Maryland-subsidized population. By working closely with officials in these two states, NCCP has developed a working knowledge of these data systems and the definitions of the variables used in this report. (See Appendix Table for a list of the variables.)

It is important to stress again that this report focuses on a subset of the children using child care subsidies in Maryland and Illinois—those children in families who in January 1998 were currently receiving TANF or who had formerly received cash assistance (TANF or AFDC) and were using *child care vouchers*. Former recipients include those in their first

year after cash assistance, as well as those who have been without cash assistance longer. This definition excludes children and families in both states whose administrative records give no indication that they have received TANF/AFDC. In Illinois, it also excludes a second group of children—those in families who use the state's system of contracted child care. Data limitations at this time make it impossible to describe those Illinois families who use the contracted system. Illinois administrators estimate that approximately 22 percent of families using contracted care in 1998 were currently using or formerly used cash assistance. In other words, just over 4 percent of all subsidized children with cash assistance histories were estimated to be in the contracted system.[6]

As summarized in Table 1, therefore, the subset of Illinois data used in this report describes 79,410 children, 80 percent of the children using child care subsidies in that state. For Maryland the data include 16,848 children, 68 percent of that state's subsidized children. In both states, children connected to cash assistance were the great majority of children using subsidies.

**Table 1:**
**For Illinois and Maryland, Children Receiving Child Care Subsidies in January 1998, by Payment Mechanism and Family History of Cash Assistance**

| | ILLINOIS | MARYLAND |
|---|---|---|
| Number of children receiving child care subsidies in January 1998 | 99,000 children (approximate number) | 24,910 children |
| Payment mechanisms and cash-assistance history of families receiving subsidies | **Vouchers** for 82,218 children* (83%): 79,410 children in families currently or formerly receiving cash assistance; 2,808 children in families with no cash-assistance history<br>**Contracts** for approx. 16,782 children (17%): Approx. 3,692 children in families with cash-assistance history; Approx. 13,090 children in families with no cash-assistance history | **Vouchers** for 24,910 children (100%): 16,848 children in families currently or formerly receiving cash assistance; 8,062 children in families with no cash-assistance history |
| Data sent to NCCP | Data on all children receiving vouchers, with and without cash-assistance history<br>At this time, no data on children subsidized through contracts | Data on all children receiving subsidies |
| Who is in this report | 79,410 children in families receiving vouchers and with cash-assistance history | 16,831 children in families with cash-assistance history |

* Note: The Illinois numbers reflect all payments for January 1998 made through September 1998.

Despite the limitations, it makes sense to draw a comparison between the subsets of voucher users in the two states. The Maryland group includes 100 percent of the subsidized children with histories of cash assistance, and the Illinois group is estimated to include over 95 percent of these children. Further, both groups had the option to use *any* type of legal care, and therefore, for the purposes of this analysis, they are parallel.

This report also does not describe another important source of early childhood support for low-income families in both states—Head Start and prekindergarten programs. As in all other states, these programs are administered separately from the child care subsidy system. The descriptions of families' subsidized child care arrangements in this report do not include these services even though they are, by definition, "subsidized" and parents are often working while their children are attending them.

It is also important to note that this report is built on two cross-sectional snapshots taken a year apart, January 1997 and January 1998. While the report analyzes important differences between the two pictures, it does not chart the month-by-month changes that culminated in the January 1998 snapshot. A subsequent report from NCCP and other Child Care Research Partnerships will track the duration of children's subsidy use and child care arrangements over a number of successive months in several states, including Illinois and Maryland.

## Advantages and Limitations of Using Administrative Data

At present, administrative records are virtually the only available source of information on subsidized child care. These records—little consulted by researchers prior to the Child Care Research Partnerships—are important sources for several reasons. First, they describe an entire group instead of a sample of that group. Therefore, when conducting analyses, it is not necessary to make statistical inferences—the group's actual characteristics and patterns of child care use are being described. Second, since these data provide unique identifiers for each family, child, and child care arrangement, information can be linked across time and used to describe short- and long-term patterns of child care use. Finally, information about the locations of families and child care providers receiving subsidies can be linked with data about the regulated supply of child care and demographic characteristics of their communities to deepen our understanding of low-income child care markets. These linkages in Illinois and Maryland will be explored in another report from the NCCP Child Care Research Partnership.

Administrative data, however, also have significant limitations for research. As in all cases, research is only as accurate as the information used. In this case, the data have not been developed for research purposes, but come instead from two state systems developed to manage programs of services for low-income families with children. Essentially, the systems were designed to verify families' eligibility, make payments

to child care providers, comply with federal reporting requirements, and track the state's expenditures. The accuracy of the data may be questionable when they are not used for one of these express functions or when those responsible for data entry are not required to do so in standard ways.

Secondly, data on many characteristics of families, children, and child care arrangements of interest to researchers, policymakers, and advocates are not necessary in state subsidy systems whose primary purpose is to verify eligibility, make payments, or track expenditures. Administrative data on child care arrangements, for example, rarely include indicators of quality. Data on families usually lack sufficient detail to understand fully the relationship between parents' work schedules and child care needs, particularly when they work irregular hours or have school-age children. Consequently, these data can only describe in the most fundamental ways characteristics of families, children, and care arrangements.

Thirdly, and perhaps most significantly, administrative data are collected only on those families in contact with state service systems. Important features of child care policy (e.g., eligibility criteria, payment rates, co-payment levels) also affect the decisions and behavior of low- and moderate-income parents who do not utilize state child care subsidies. Thus, ideally, child care administrative data are complemented with other data sources to develop a full understanding of the dynamics of child care markets for all low-income families.

In balance, administrative data provide an important foundation of information about families using child care subsidies, helping guide further research and exploration as policymakers and others examine the impact of child care policies on low-income children and families.

This report points to the need for further research. Although the information paints valuable pictures of child care voucher use in Illinois and Maryland, it cannot explain why such different patterns exist in the two states. Explanation of the differences would require additional analysis of each states'unique demographic and economic characteristics, regulated child care markets, and child care and welfare policies. Previous research shows that these factors interact to influence families' child care selections.[7] Also, the data do not include deeply detailed family information, and they describe families living in the policy and broader social and economic environments of only two states.[8] What this report *can* do is describe different patterns of child care voucher use in two states, an important beginning.

# CONTEXTUAL INFORMATION FOR ILLINOIS AND MARYLAND

This section sketches the demographic, policy, and child care contexts of Illinois and Maryland. Interactions among these factors may influence the patterns of child care selected by families connected with cash assistance in the two states. Several key differences in demographics, policies, and regulated child care markets are described below.

## State Demographic Characteristics

Between 1993 and 1997, Illinois had more than twice as many children under age 13 as Maryland, as shown in Table 2. Child care subsidies typically are available for children up to age 13.

Being part of the labor force and living in or near poverty is likely to make a mother eligible for a child care subsidy.[9] Available data which combine these two family characteristics are for women in the workforce with children under age six. Table 2 shows that a mother in the Illinois workforce with a child under age six is somewhat more likely to live in or near poverty than a mother in the Maryland workforce with a child under age six.

**Table 2:**
**Illinois and Maryland, Demographic Characteristics of Children Under Age 13 and Women with Children Under Age Six in the Labor Force, 1993–1997**

| | ILLINOIS | MARYLAND |
|---|---|---|
| Number of children under age 13 | Approx. 2.39 million | Approx. 0.95 million |
| Number of women with children under age six who are in the labor force | 530,313 | 243,296 |
| Of all women with children under age six in the labor force, percent in/near poverty | 28.9% | 16.9% |

Source: National Center for Children in Poverty, The Joseph L. Mailman School of Public Health of Columbia University. Based on data from the U.S. Bureau of the Census, March Current Population Survey 1994–1998 to obtain economic information referring to an average of the years 1993–1997.

## TANF Case Loads and Policies

TANF caseloads in both states dropped between January 1997 and January 1998. Illinois calculates caseloads in terms of the number of families on TANF, which fell by 15 percent—from 205,518 to 175,487. Maryland calculates in terms of individuals on TANF, which dropped by 22 percent —from 169,721 to 133,224.

Illinois and Maryland both exempt parents with a child under age one from the 24-month limit on receipt of cash assistance without working, but not from the lifetime maximums of 60 months cash assistance. In Illinois, this exemption was used by 78 percent of the 14,587 families entitled to it in January 1999, the earliest month for which figures are available. Maryland has not yet begun tracking use of this exemption. Both states also allow families receiving TANF to keep more earnings than under the AFDC program.

## Child Care Subsidy Policies

### Funding

In the state fiscal year (FY) 1998, Illinois total expenditures (federal and state) on vouchers and contracts, excluding administrative and other costs, were $251 million, an annual average of $2,437 per child served. In the same fiscal year, Maryland's total federal and state expenditures for child care vouchers was $83 million, an average for the year of $3,582 per child served.[10]

### Eligibility

In Illinois, working families—regardless of TANF status—are eligible for subsidies with incomes up to 50 percent of the 1997 state median income ($21,819 for a family of three).[11] In Maryland, working families are eligible with incomes up to 38 percent of the 1997 state median income at initial application ($18,409 for a family of three) and 46 percent at redetermination of eligibility ($22,463 for a family of three). In July 1997, Illinois established the principle of "universal eligibility," that is, all income-eligible, working families who apply are served. There are no waiting lists and no time limits. While Maryland does not have this official policy, the state had no income-eligible families waiting for child care subsidies and did not terminate subsidies for any income-eligible families in 1997 or 1998.

### Rates

In 1997, Maryland's payment rates to regulated child care providers were at levels high enough to purchase at least 75 percent of the care in any given region. In the same year, Illinois' rates for regulated providers would purchase from under 50 percent to approximately 75 percent of care, depending on age of child served, type of care, and region of the state.[12] Maryland's rates for relative and in-home care varied by the child's age and region, but averaged approximately 47 percent of family child care rates. Illinois paid one flat rate throughout the state for relative and in-home care, approximately 61 percent of the average family child care rate.[13]

### Co-payments

Illinois requires all families to make a co-payment, based on their income, family size, and number of children in care. Co-payment levels for an Illinois family of three range from 1 percent of family income to approximately 8 percent for the first/only child in care and an additional 1 to 6 percent for the second child in care. Maryland requires all families, except recipients of TANF or Supplemental Security Income, to make co-payments. Co-payments are based on family size and income and are established as a percent of the average cost of care in each region. In the Maryland region with the lowest average cost of care, co-payment rates range from 1 to 7 percent of gross family income for the first/only child in care and an additional 1 to 5 percent for the second/subsequent child(ren) in care.[14]

### State- and Community-level Administration of Subsidies

In July 1997, Illinois merged the child care subsidy administration formerly divided between two departments[15] into a new agency—the Department of Human Services. Parents gain access to vouchers through community-based child care resource and referral agencies and to contracted care directly through providers holding contracts. Maryland subsidies are administered through the Department of Human Resources, and parents—both those receiving TANF and those with no connection to TANF—apply through the county welfare offices.

## Supply of Regulated Care and Child Care Licensing

Maryland in 1996 had 42 percent more regulated child care slots per child under age 13 than Illinois. In *A Study of Regulated Child Care Supply in Illinois and Maryland*, the NCCP Child Care Research Partnership calculated Maryland had 211 regulated family child care and center slots per 1,000 children under age 13 to Illinois' 148. Most of this difference is attributable to state differences in family child care regulations. All family child care is subject to regulation in Maryland, except for care provided for a child for a fee for less than 20 hours per month. In contrast, Illinois does not regulate family child care homes with three or fewer children, including the caregiver's own children. Maryland also had slightly more regulated center care slots per child under age 13 than Illinois.[16]

# FINDINGS

## Characteristics of Families, Children, and Child Care Arrangements in January 1998

### Families Ever on Cash Assistance, Their Children, and Subsidized Care

In January 1998, of 79,410 Illinois children using vouchers whose families ever received case assistance, 53 percent were receiving TANF, and 47 percent had formerly received TANF or AFDC. In Maryland the percentages were virtually reversed. That month, of the 16,848 Maryland children using vouchers from families ever receiving cash assistance, 46 percent were in families currently receiving TANF, and 54 percent lived with families who were former recipients. See Table 3 for additional information on the numbers of families and arrangements.

**Table 3:**
**For Families Ever Receiving Cash Assistance, Number of Children and Child Care Arrangements Paid For by Vouchers in January 1998**

| | ILLINOIS | MARYLAND |
|---|---|---|
| Families | | |
| Current TANF | 19,292 | 4,277 |
| Former TANF/AFDC | 21,046 | 5,086 |
| Total | 40,338 | 9,363 |
| Children | | |
| Current TANF | 42,292 | 7,699 |
| Former TANF/AFDC | 37,118 | 9,132 |
| Total | 79,410 | 16,831 |
| Arrangements | | |
| Current TANF | 49,482 | 7,846 |
| Former TANF/AFDC | 43,635 | 9,477 |
| Total | 93,117 | 17,323 |

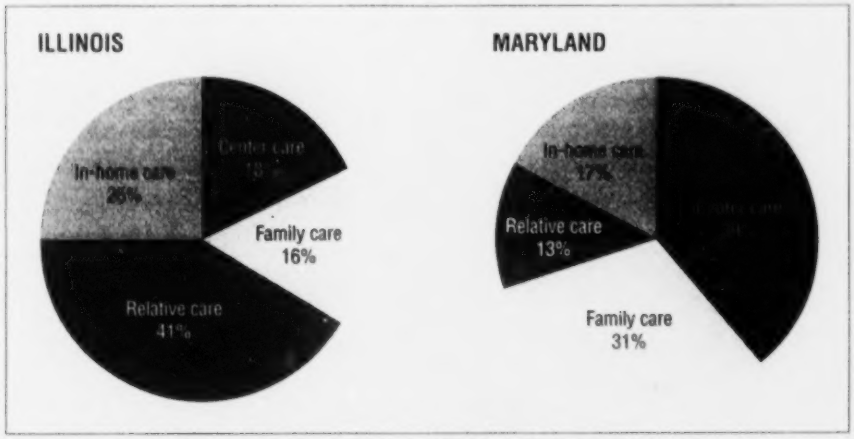
### Types of Care Used*

Children in Illinois and Maryland using child care vouchers and ever receiving cash assistance had very different patterns of care, as shown in Figure 1. In Illinois, care by a child's relative was the most common (41 percent) and in-home care was the second most common (25 percent). These two types of care accounted for a total of 66 percent of the care used by these Illinois children. They were followed by center care (18 percent) and family child care (16 percent). In Maryland, center care was most common (39 percent) and family child care next most common (31 percent), accounting for a total of 70 percent of the voucher subsidized child care arrangements used by this group. In-home care (17 percent) and relative care (13 percent) followed.

*In this report, in-home care is defined as care in the child's home by a non-relative. Relative care is care by a relative in either the child's or the relative's home. To maximize comparability between Maryland and Illinois, family child care is defined as legal care for unrelated children in a provider's home, whether or not it is subject to licensing.

In each state, the distribution of types of voucher care arrangements used by children from families previously on TANF/AFDC was very similar to the distribution of arrangements used by children from families currently on TANF. In Illinois, prior recipients were slightly more likely to use center care and less likely to use family, relative, and in-home care. In Maryland, prior recipients were slightly more likely to use family care and less likely to use center care, relative, and in-home care.

**Figure 1:**
**TYPE OF CHILD CARE**
**Percentages of Children Under Age 13 Using Vouchered Child Care and Currently or Formerly on TANF in Illinois and Maryland in January 1998, by Type of Child Care**

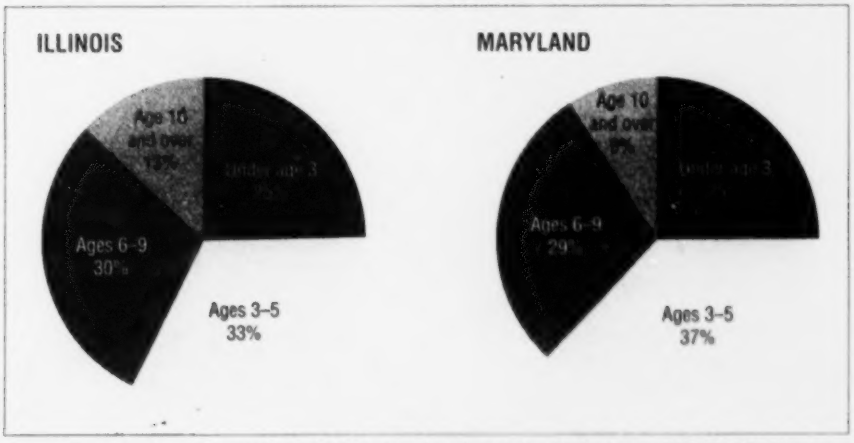



Sources: Illinois Department of Human Services child care voucher administrative data for TANF-connected cases from January 1998 (93,117 arrangements); Maryland Department of Human Resources child care administrative data for January 1998 TANF-connected cases only (17,323 arrangements with data missing for 1,248)

## Ages of Children in Vouchered Care

In the two states, the ages of children in the population studied were similar. Figure 2 shows that in each state, one-quarter of the children were infants and toddlers (under age three), and about one-third were preschoolers (ages 3–5). Strikingly, approximately two-fifths of the children in voucher subsidized care in both states were school-age (6–12)—43 percent in Illinois and 38 percent in Maryland.

**Figure 2:**
**AGE OF CHILDREN**
**Percentages of Children Using Vouchered Child Care and Currently or Formerly on TANF in Illinois and Maryland in January 1998, by Age of Children**




Sources: Illinois Department of Human Services child care voucher administrative data for January 1998 (79,410 children); Maryland Department of Human Resources child care administrative data for January 1998 (16,831 children)

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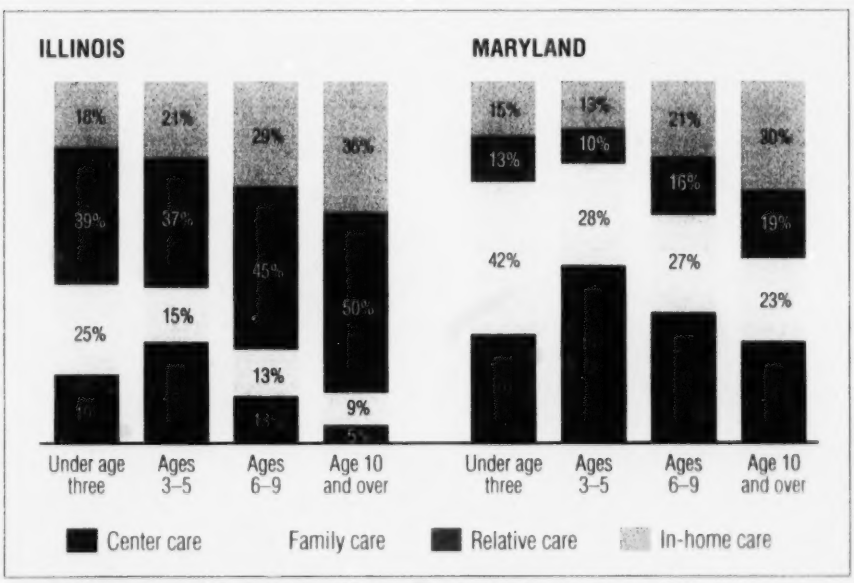
## Type of Care Used by Age of Child

Looking at the proportions of types of care used by children of various ages, Figure 3 shows the different patterns of care in each state in more detail. In Illinois, while relative and in-home child care were the most used by children of all ages, the proportions of such care rose significantly for school-age children. Fifty-seven percent of children under age three and 58 percent of preschool children used relative and in-home care, but the proportions reached 74 percent of children ages 6–9 and 86 percent of children ages 10–12. The greatest use of center-based care was by preschool children (28 percent) and lowest by school-age children (13 percent for children ages 6–9 and 5 percent for children ages 10–12). The greatest use of family child care was for children under age three (25 percent), and the least was for older children (9 percent of children ages 10–12).

In Maryland, by contrast, Figure 3 shows that center-based and family child care were the most used by children of all ages, but the proportions of such care dropped for school-age children, as they did in Illinois. A higher proportion of children of all ages in Maryland used center-based care than in Illinois. The highest proportion of children using center care in Maryland were ages 3–5 (49 percent), and the highest proportion of children using family child care were under age three (42 percent). In Maryland, as in Illinois, the proportion of children in relative and in-home care was significantly higher for school-age children than for preschool children or infants and toddlers. Thirty-seven percent of children ages 6–9 and 49 percent of children over age 10 used these forms of care, as compared to 28 percent of children under age three and 23 percent of children ages 3–5. While for all age groups in Maryland the proportion of relative care was much lower than in Illinois, the proportion of in-home care was only somewhat lower.

**Figure 3:**
**TYPE OF CHILD CARE AND AGE GROUP**
**Percentages of Children Using Vouchered Child Care and Currently or Formerly on TANF in Illinois and Maryland in January 1998, by Type of Child Care and Age Group**




Sources: Illinois Department of Human Services child care voucher administrative data for January 1998 (93,117 arrangements); Maryland Department of Human Resources child care administrative data for January 1998 (16,075 arrangements)

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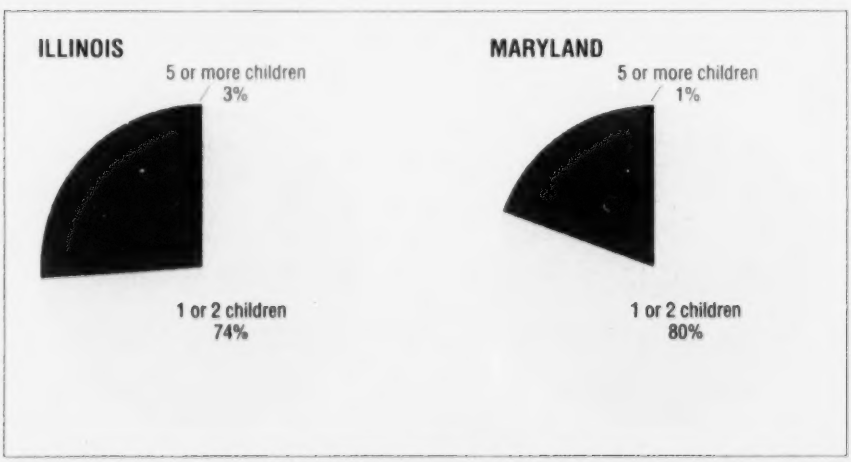
Despite pronounced differences in overall patterns of care in the two states, a close look at the proportions of age groups using the various forms of care reveals some underlying similarities. In both states, the highest percentage use of family child care was by infants and toddlers; the highest percentage use of center care was by preschoolers; and the highest percentage use of relative and in-home care was by school-age children. These similarities reflect national trends among all families with employed mothers using child care, subsidized and non-subsidized. Across the country, family child care is used by a greater proportion of infants and toddlers than children of other ages. Families often prefer home-like settings for these youngest children. Center-based care, with its opportunities for children to socialize with others their age and become ready for school, is used by a relatively higher proportion of preschool children. Finally, families more often use relative and in-home care for a greater proportion of school-age children, who often need care in hours that do not coincide with those of formal child care businesses.[17]

## Number of Children Using Vouchers per Family

Figure 4 shows that most families using vouchers and ever connected with TANF or AFDC in Illinois and Maryland had only one or two children receiving subsidies. Figure 5 shows that the proportions of types of care used were substantially different for families with three or more children in the child care subsidy system than for smaller families in the system. In both states, families with three or more subsidized children were more likely to be in relative and in-home care. With three or more subsidized children in a family, the children are almost always several different ages. In-home and relative care have relatively high levels of flexibility, enabling caregivers to care for several children of different ages from one family. Thus, in-home and relative care are rational choices for working parents who may have difficulty managing the complex logistics of taking individual children to and from different child care settings, especially on public transportation. In addition, some parents prefer their children to be together during the day.

**Figure 4:**
**NUMBER OF CHILDREN RECEIVING SUBSIDIES PER FAMILY**
**Percentages of Families Using Vouchered Child Care and Currently or Formerly on TANF in Illinois and Maryland in January 1998, by Number of Children Receiving Subsidies per Family**




Sources: Illinois Department of Human Services child care voucher administrative data for January 1998 (40,338 families); Maryland Department of Human Resources child care administrative data for January 1998 (9,363 families)

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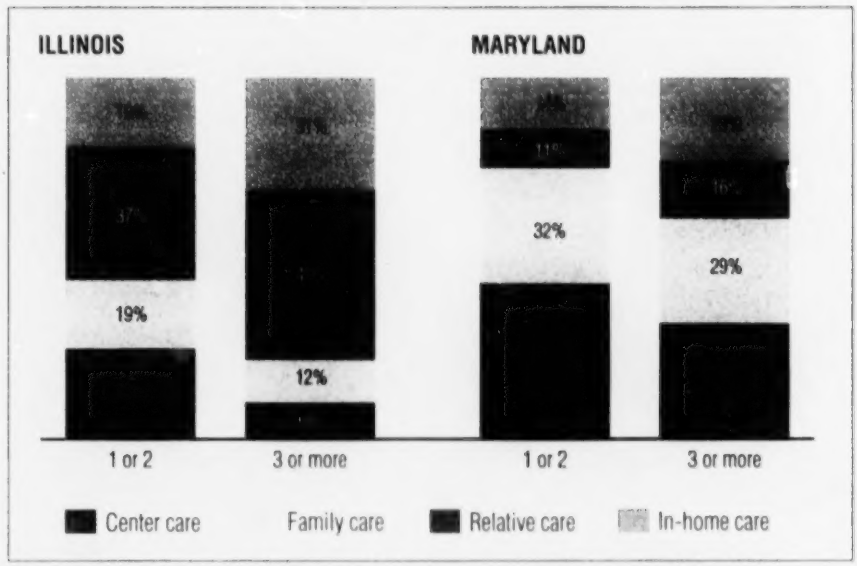
**Figure 5:**
**TYPE OF CHILD CARE AND NUMBER OF CHILDREN IN CARE PER FAMILY**
**Percentages of Families Using Vouchered Child Care and Currently or Formerly on TANF in Illinois and Maryland in January 1998, by Type of Child Care and by Number of Children in Care per Family**

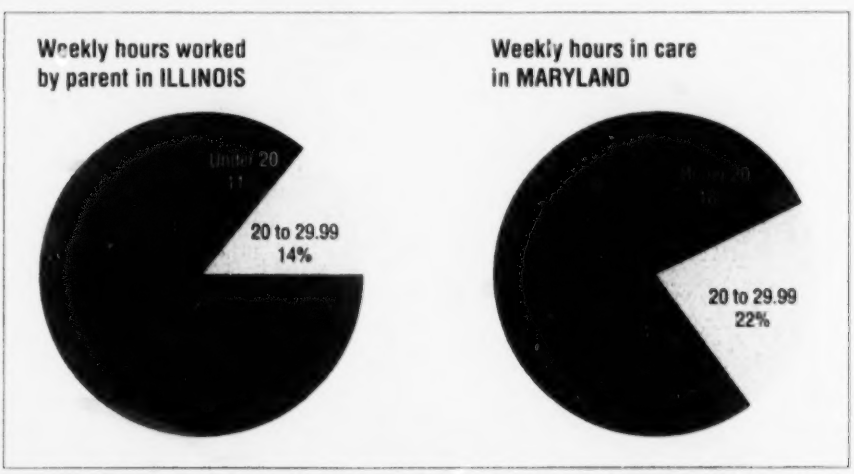



Sources: Illinois Department of Human Services child care voucher administrative data for January 1998 (93,117 arrangements); Maryland Department of Human Resources child care administrative data for January 1998 (16, 075 arrangements)

## Hours in Care per Week and Hours Worked per Week

Maryland data include information on the number of hours that children are in care per week, and Illinois data include the number of hours that parents work. Figure 6 shows that in Maryland, 60 percent of children were in care full time (30 or more hours of care per week) in January 1998. In Illinois, 75 percent of children had parents working full time (30 or more hours of work per week).

**Figure 6:**
**HOURS IN CARE/HOURS WORKED BY PARENT**
**Percentages of Children Using Vouchered Child Care and Currently or Formerly on TANF in Illinois and Maryland in January 1998, by Weekly Hours in Care in Maryland and Weekly Hours Worked by Parent in Illinois**




Sources: Illinois Department of Human Services child care voucher administrative data for January 1998 TANF-connected cases only (79,410 children); Maryland Department of Human Resources child care administrative data from January 1998 (16,831 children)

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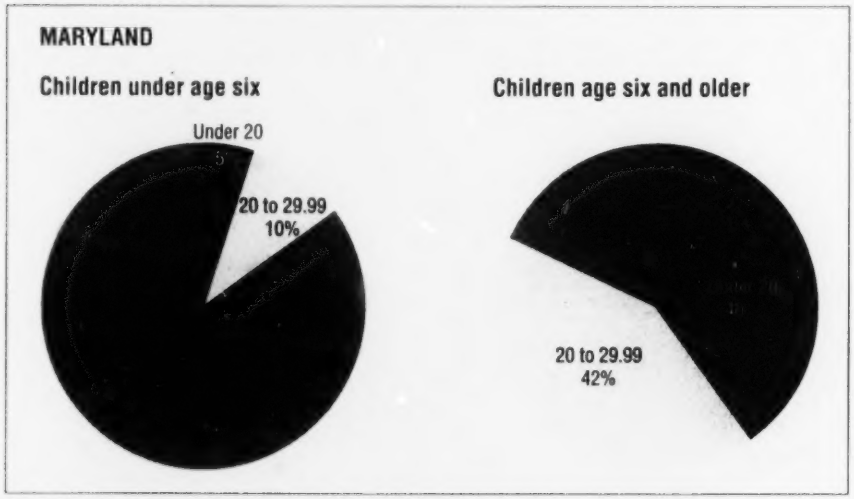
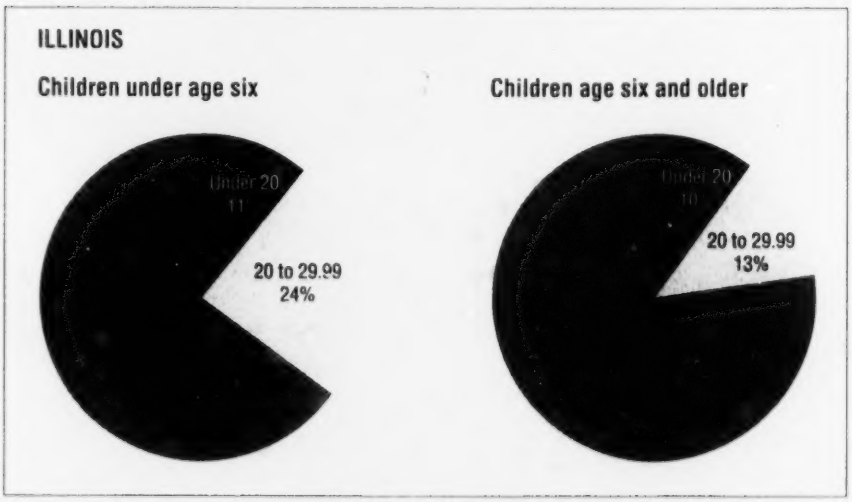
Unfortunately, the data available in the two states make it impossible to compare directly the schedules of care used by families in the two states. Figure 7, on hours of care by the age of child, shows 85 percent of Maryland children under age six were in full-time care as opposed to 18 percent of school-aged children. In contrast, 82 percent of school-age children were in part-time care, compared to 15 percent of children under age six. Figure 8 shows that in Illinois, from two-thirds to three-fourths of children live with parents who work full-time hours. Sixty-five percent of children under age six lived with parents in full-time jobs, as did 77 percent of school-age children. It is unlikely that all of these Illinois families used full-time subsidized care, particularly for school-age children, whose hours of school may coincide with some portion of parents' work hours.

**Figure 7:**
**HOURS OF CARE AND AGE GROUP**
**Percentages of Children Using Vouchered Child Care and Currently or Formerly on TANF in Maryland in January 1998, by Hours of Care and Age Group**




Sources: Maryland Department of Human Resources child care voucher administrative data from January 1998 (16,831 children)

**Figure 8:**
**HOURS WORKED BY PARENT AND AGE GROUP**
**Percentages of Children Using Vouchered Child Care and Currently or Formerly on TANF in Illinois in January 1998, by Weekly Hours Worked by Parent and Age Group**




Sources: Illinois Department of Human Services child care voucher administrative data from January 1998 (79,410 children)

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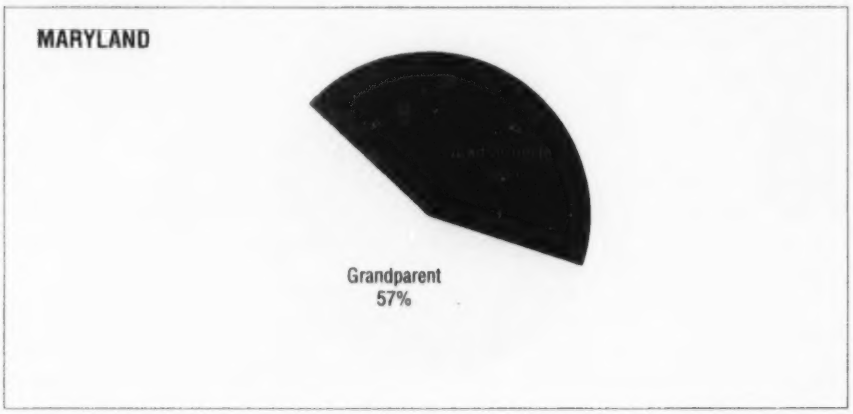
### Types of Relative Care

Information on which relatives were caring for children is available only for Maryland. Figure 9 shows that grandparents were the most common subsidized relative caregivers (57 percent of all relative care). Thirty percent were aunts or uncles, and the remaining 13 percent were other relatives.

**Figure 9:**
**VOUCHERED RELATIVE CARE**
**Percentages of Children Using Vouchered Relative Care and Currently or Formerly on TANF in Maryland in January 1998, by Relative Care**




Source: Maryland Department of Human Services child care administrative data for January 1998 (3,187 arrangements)

## Changes Between 1997 and 1998 in Volume and Patterns of Child Care Voucher Use

### Numbers of Children Using Vouchers from Families Currently and Formerly Receiving Cash Assistance

As Table 4 shows, in both states, the numbers of children in families using child care vouchers and ever connected to cash assistance grew significantly between the two years, increasing by 40 percent in Illinois and 29 percent in Maryland. In both states, virtually all the growth occurred among children from families who had left TANF. In Illinois, the number of children using child care vouchers from families who had left TANF grew by 117 percent. In Maryland, the number of these children also grew substantially, increasing by 70 percent. In Illinois, the number of children using vouchers from families currently receiving TANF grew slightly (by 7 percent) between 1997 and 1998, while in Maryland this number remained steady. Even though the absolute numbers of children using vouchers from current TANF families changed little, they represented larger proportions of the diminished 1998 TANF caseloads in each state.

**Table 4:**
**Number of Children Using Child Care Vouchers in Illinois and Maryland by Cash-Assistance Status and Year**

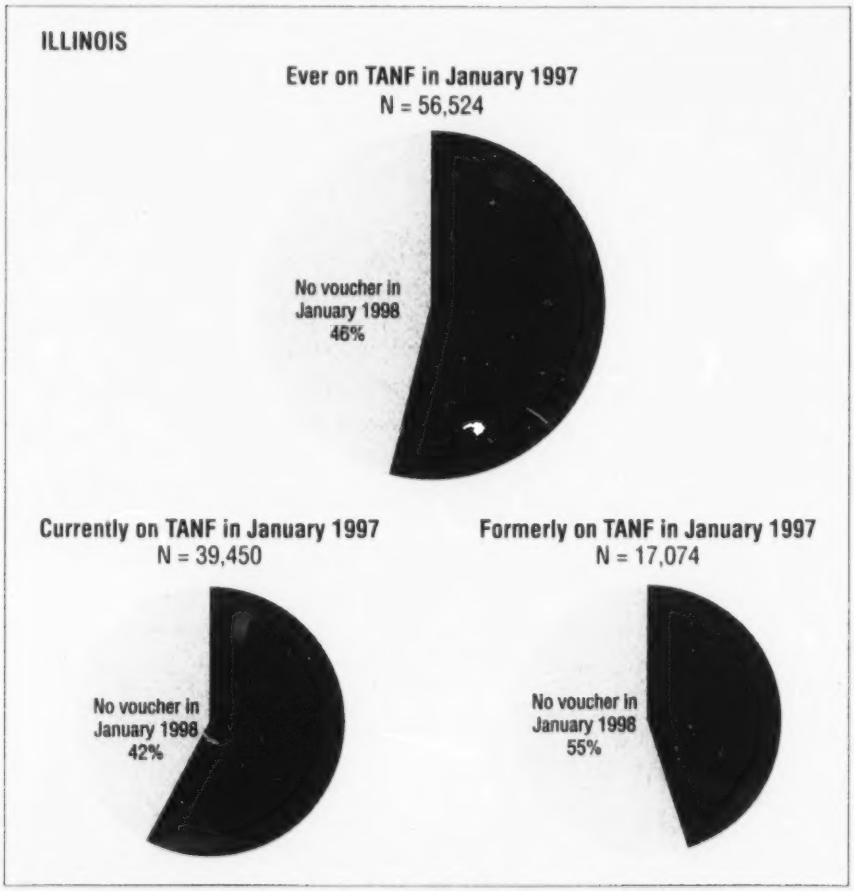
| | ILLINOIS | | | MARYLAND | | |
|---|---|---|---|---|---|---|
| | 1997 | 1998 | % change | 1997 | 1998 | % change |
| Total Children | 56,524 | 79,410 | 40% | 13,074 | 16,831 | 29% |
| Current TANF | 39,450 | 42,292 | 7% | 7,714 | 7,699 | 0% |
| Former TANF/AFDC | 17,074 | 37,118 | 117% | 5,360 | 9,132 | 70% |

## Movement Out of Child Care Voucher Systems

Although there was net growth in child care voucher use between 1997 and 1998 in both states, there were also significant numbers of children who left the voucher systems, at least temporarily. As shown in Figures 10 and 11, in both states, only about half the children using vouchers in January 1997 from families currently or formerly receiving cash assistance also used vouchers in January 1998. In Illinois, 54 percent used vouchers a year later. In Maryland movement out of the voucher system was even higher. In that state, just 44 percent used vouchers in January 1998.

A greater proportion of current TANF children from 1997 remained in the Illinois voucher system than in the Maryland system. In Illinois, 58 percent of these children also used vouchers in January 1998. In Maryland, just 42 percent of such children used vouchers a year later.[18] For children who were former TANF recipients in 1997, the states' patterns are much more alike. In Illinois, 45 percent of the 1997 former TANF recipients used vouchers in January 1998, while in Maryland 47 percent used vouchers a year later.[19] See Figures 10 and 11.

**Figure 10:**
**VOUCHER AND TANF STATUS**
**Voucher and TANF Status of Children Receiving Vouchers for Child Care and Ever on TANF in Illinois in January 1997, Changes in Voucher and TANF Status by January 1998**




Source: Illinois Department of Human Services child care voucher administrative data for January 1997 and January 1998 (56,524 children)

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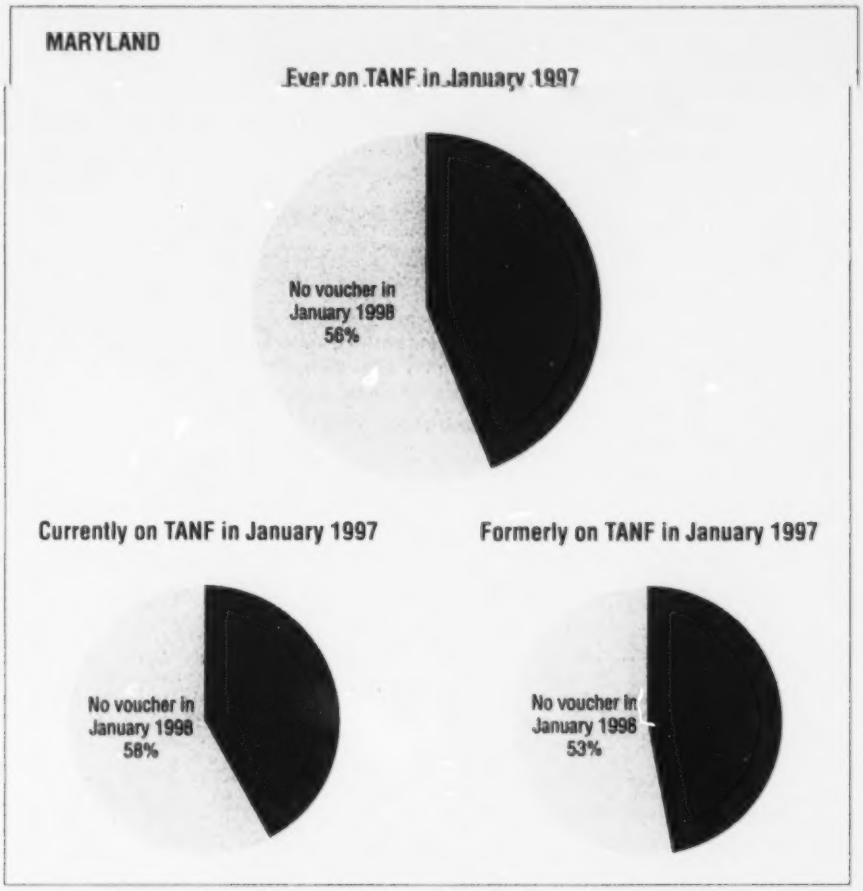
**Figure 11:**
**VOUCHER AND TANF STATUS**
**Voucher and TANF Status of Children Receiving Vouchers for Child Care and Ever on TANF in Maryland in January 1997, Changes in Voucher and TANF Status by January 1998**


MARYLAND
Ever on TANF in January 1997
No voucher in January 1998 56%
Currently on TANF in January 1997
No voucher in January 1998 58%
Formerly on TANF in January 1997
No voucher in January 1998 53%

Source: Maryland Department of Human Resources child care voucher administrative data for January 1997 and January 1998 (13,074 children)

## Rates of Growth of Different Types of Care

Between January 1997 and January 1998, growth rates in the use of different types of child care varied between the two states, as shown in Table 5. In each state, the form of care least used in January 1998—family child care in Illinois, relative and in-home care in Maryland—had nonetheless experienced the greatest percentage growth over the previous year. In Illinois, family care use grew by 56 percent between 1997 and 1998, followed by center care (45 percent between 1997 and 1998). Use of relative and in-home care grew the least in Illinois (37 percent), but continued to represent the largest portion of child care subsidized with vouchers. In Maryland, use of relative and in-home care grew by 66 percent. Center care growth followed (37 percent), and family child care grew the least (23 percent). In Maryland, center care continued to be the most common form of care used. Thus, the significant differences in the distribution of types of child care used in the two states in January 1998 (see Figure 1 and Table 5) were less pronounced than they had been a year earlier.

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**Table 5:**
**CHANGES IN TYPE OF CHILD CARE**
**Number and Percentage Change of Child Care Arrangements of Children Currently and Formerly on TANF in Illinois and Maryland in January 1997 and January 1998 by Type of Child Care**

| | ILLINOIS | | | MARYLAND | | |
|---|---|---|---|---|---|---|
| | 1997 | 1998 | % change | 1997 | 1998* | % change |
| Center care | 11,649 | 16,921 | 45% | 4,576 | 6,288 | 37% |
| Family care | 9,432 | 14,673 | 56% | 3,995 | 4,908 | 23% |
| Relative and in-home care | 44,920 | 61,523 | 37% | 2,935 | 4,879 | 66% |

* Data missing from 1,248 arrangements

## Changes in Ages of Children Using Vouchers

Change in the age distribution of children using vouchers was remarkably similar in the two states between January 1997 and January 1998, as shown in Table 6. In both states, the largest growth occurred in the school-age 10–12 population, 44 percent in Illinois and 48 percent in Maryland. While 10–12 year olds remained the smallest age group in both states, the total school-age population in both states (ages 6–9 and 10–12) was larger than the infant-and-toddler and preschool populations. In both states, the infant-and-toddler population grew significantly too, by 42 percent in Illinois and 45 percent in Maryland. The preschool-age population grew the least in both states, 37 percent in Illinois and 27 percent in Maryland. Yet in both states, preschoolers remained the largest age group.

**Table 6:**
**CHANGES IN AGE OF CHILDREN**
**Number of Children and Percentage Change in Children Currently and Formerly on TANF and Using Child Care Vouchers in Illinois and Maryland in January 1997 and January 1998 by Age Group**

| | ILLINOIS | | | MARYLAND | | |
|---|---|---|---|---|---|---|
| | 1997 | 1998 | % change | 1997* | 1998 | % change |
| Under age three | 13,667 | 19,378 | 42% | 2,871 | 4,167 | 45% |
| Ages 3–5 | 18,685 | 25,640 | 37% | 4,881 | 6,182 | 27% |
| Ages 6–9 | 16,790 | 23,730 | 41% | 3,661 | 4,916 | 34% |
| Ages 10–12 | 7,382 | 10,662 | 44% | 1,056 | 1,566 | 48% |

* Data missing from 605 children

# IMPLICATIONS AND CONCLUSIONS

Trends and patterns in child care voucher use by children from Illinois and Maryland families ever connected to cash assistance have major program and policy implications. Recognizing and evaluating the similarities and differences between these two states can help child care policymakers across the country better serve children and families.

- These two states saw big growth in voucher use by children in former TANF families and little growth in voucher use by children in current TANF families. The experience of these states suggests that, to the degree welfare reform is successful, significant numbers of families will continue to use child care subsidies, if allowed, after leaving TANF and their numbers will build up considerably over time. Policymakers will want to consider the needs of this growing group. Policymakers and others across the country have thought about the child care implications of welfare reform as related to employing the TANF caseload and providing child care subsidy for only one "transitional"[20] year after families leave cash assistance.

- School-age children are a fast growing part of this child care population. In both states, they are also the age group most likely to use relative and in-home care. Policymakers are challenged to build supports for school-age children in these settings, including connections to age-appropriate community activities, as well as to evaluate thoroughly community needs for additional formal school-age child care programs.

- Infants and toddlers are another fast growing part of this population. Policymakers need to think carefully about the program needs of these youngest children and ways to maximize support for their early brain development in every type of setting.[21] The information from the two states underscores the importance of state-specific approaches, since the patterns of care for infants and toddlers are very different in each state.

- A high percentage of preschoolers (49 percent in Maryland, 28 percent in Illinois) are in center-based care. Further assessment of the educational experiences of these children, and the quality of the relationships they are experiencing, is needed to understand how subsidized care supports early learning for preschoolers and how it can be improved. Further understanding is also needed of preschool children ever connected to TANF and enrolled in Head Start and state prekindergarten programs, as well as the relationships between these programs and state subsidized child care systems.

- In Illinois and Maryland, about half the children from families ever connected to cash assistance who used vouchers in January 1997 did not use them in January 1998. These snapshot views imply that children use vouchers for short periods of time or sporadically. To know this for sure, voucher use by children will need to be studied over a continuous period of time.
- It is important to track these trends into the future as families on TANF reach their work requirement and/or lifetime time limits.
- Given the significant differences in the patterns of care in these two states, it is important for additional states to replicate this analysis to understand their own unique patterns and trends. Additional state studies will also help better distinguish between cross-state and in-state patterns.

Clearly, this research is only a beginning in understanding the complex interactions of subsidy policy with family situations and community environments and the ways these interactions affect parents' selection and use of child care. More research is needed, both within and across states, using administrative data as well as other data sources. Within states, it is vital to link administrative data on children and families who use subsidies with population-based survey data on eligible families who do not use subsidies. Such studies will yield greater understanding of the effects of child care policies on women's labor force participation, family earnings and income, and parents' child care choices. It is also important to link subsidy data to data on parent selection of care, child care quality, and child development outcomes to understand more fully the effects of child care policies on children's health and school readiness.

Across states, it is vital to develop comparable data elements in child care information systems in order to learn from the natural variation in child care policy across states. It is also essential to develop comparable ways to measure the cost and availability of all types of early childhood care and education, including Head Start and state pre-kindergarten programs, in order to learn how state and community patterns of investment in early care differ across jurisdictions and how varying patterns influence parent and child well-being.

These and other recommendations for improving child care policy research are detailed in a soon-to-be published report from the U.S. Department of Health and Human Services, Child Care Bureau: *Building a knowledge base: An agenda for child care policy research.*[22] Future reports of NCCP's Child Care Research Partnership will build on the recommendations in this report from the Department of Health and Human Services.

**Appendix Table:**
**Variables Used in This Report**

| Variable | ILLINOIS | MARYLAND |
|---|---|---|
| Unique Identifiers for cases, parents, and children | ✓ | ✓ |
| Child's date of birth | ✓ | ✓ |
| Type of child care (center, family care, relative, in-home) | ✓ | ✓ |
| Type of relative care | | ✓ |
| Hours of care per week | | ✓ |
| Hours of parent work per week | ✓ | |
| Number of children receiving subsidies in the family* | ✓ | ✓ |
| Total number of providers used per child* | ✓ | ✓ |
| TANF status (Active or past use) | ✓ | ✓ |

Note: Variables that were frequently blank or that appeared to offer incorrect information were not used in the analysis and are not listed here.

* Starred variables were calculated, rather than supplied by the states.

## Endnotes

1. Further information on provisions in the new law and how states can use this opportunity to help children and improve the income of their parents is contained in the Children and Welfare Reform Issue Brief Series from the National Center for Children in Poverty. See especially Issue Brief 2: *Anticipating the effects of federal and state welfare changes on systems that serve children*. A. Collins. (1997). Focuses on processes to assess how federal and state welfare initiatives will have an impact on state and community policies and systems that serve children and families; Issue Brief 3: *The new welfare law and vulnerable families: Implications for child welfare/child protection systems*. J. Knitzer & S. Bernard. (1997). Examines the potential impact of P.L. 104-193 on vulnerable families already in or at risk of entering the child welfare/child protection system; Issue Brief 4: *Responsible fatherhood and welfare: How states can use the new law to help children*. S. Bernard. (1998). Outlines provisions in the welfare law related to fatherhood and offers states strategies to encourage responsible parenting by custodial and noncustodial fathers.

For information on specific state welfare plans as they refer to young children and families, see: Knitzer, J. & Page, P. (1998). *Map and track: State initiatives for young children and families, 1998 Edition*. New York, NY: National Center for Children in Poverty, Columbia School of Public Health.

2. The new Child Care and Development Fund integrated the former Title IV-A funding streams related to Aid to Families with Dependent Children (AFDC child care, and Transitional and At-Risk child care) into the Child Care and Development Block Grant.

3. U.S. Department of Health and Human Services, Administration for Children and Families. (1999). *Change in welfare caseloads since enactment of the new welfare law, updated: January 1999* [Online]. Available at http://www.acf.dhhs.gov/news/stats/aug-sep.htm.

4. Illinois expects to have its contract subsidy information automated by July 1, 1999.

5. A child could have more than one arrangement during the month either by changing providers during the month or having different arrangements for different hours of the day or days of the week.

6. The majority of Illinois' contracted care is supplied by centers (approximately 90%), with a smaller proportion supplied by networks of regulated family child care homes (approximately 10%).

7. Collins, A. & Li, J. (1997). *A study of regulated child care supply in Illinois and Maryland*. New York, NY: National Center for Children in Poverty, Columbia School of Public Health.

8. The National Study of Child Care for Low-Income Families, being conducted for the U.S. Department of Health and Human Services by Abt Associates, Inc. and NCCP, is examining a far wider range of information on 25 low-income communities in 16 states.

9. In this report, "in poverty" is defined as 100 percent of the federal poverty level—$12,931 for a family of three in 1997; "near poverty" is 185 percent of the federal poverty level—$23,922 for a family of three in 1997. Data on children living in/near poverty are available for children ages birth–6 and birth–18; unfortunately, they are not available for children ages birth–13.

10. Average, per child costs for the fiscal year are obtained by dividing annual expenditures on direct subsidies by the average number of children served per month.

11. In July 1998, Illinois began reducing wages and salaries paid by an employer by 10 percent when calculating family income for eligibility determination.

12. Illinois Department of Human Services, *Illinois Child Care Market Rate Survey report, fiscal year 1998* found the state's center and family child care rates for children over age 2 1/2 able to buy a smaller share of available care than its rates for children under 2 1/2. In response, the state targeted most of a January 1999 rate increase to the older age group.

13. Child Care and Development Fund Plan for Maryland, 10/1/97–9/30/99; Child Care and Development Fund Plan for Illinois, 10/1/97–9/30/99.

14. For the first/only child in care, Maryland co-payments range from 1 percent of the average cost of care in the region to 43 percent. For the second and subsequent child(ren) in care, the range is 1 to 33 percent of the average cost of care.

15. Through June 1997, the Illinois Department of Public Aid administered child care vouchers for families who were currently or formerly on TANF or AFDC. The Illinois Department of Children and Family Services administered contracts and some vouchers for low-income, working families.

16. See endnote 7.



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**17.** Willer, B.; Hofferth, S. L.; Kisker, E. E.; Divine-Hawkins, P.; Farquhar, E.; & Glantz, F. B. (1991). *The demand and supply of child care in 1990: Joint findings from the "National Child Care Survey 1990" and "A Profile of Child Care Settings."* Washington, DC: National Association for the Education of Young Children.

**18.** In Illinois, 38 percent of 1997's current TANF children used vouchers and remained current TANF recipients in January 1998, while 20 percent used vouchers and had left TANF. In Maryland 18 percent of such children used vouchers and still received TANF, while 23 percent used vouchers but no longer received TANF. The relatively high percentage of Illinois voucher users who remained TANF recipients may relate to the state's policy of allowing families to receive partial cash assistance until their income almost reaches the federal poverty level.

**19.** In Illinois, 39 percent of 1997's former TANF recipients used vouchers and remained former TANF recipients in 1998, and 6 percent used vouchers and returned to current-TANF status. In Maryland, 45 percent of these children used vouchers and did not return to TANF, while 2 percent returned to TANF.

**20.** Transitional Child Care was one of several federal child care funding streams merged into the Child Care and Development Fund as part of welfare reform in 1996.

**21.** Recent brain research has revealed that the first three years of a child's life are more important for emotional and intellectual growth than previously believed. For further information, see the following materials released in conjunction with the April 1997 White House Conference on Early Childhood Development and Learning: What New Research on the Brain Tells Us About Our Youngest Children. At the same time, the "I Am Your Child" national public awareness and engagement campaign was launched for a three-year period to make early childhood development a major priority for the U.S. and to promote family and community involvement in young children's healthy development. Further information on the national campaign is available on the Internet at: http://iamyourchild.org, or write to I Am your Child, 1010 Wisconsin Avenue, NW Suite 800, Washington, DC 20007.

Shore, R. (1997). *Rethinking the brain: New insights into early development.* New York, NY: Families and Work Institute.

National Center for Children in Poverty. (1997). *Early childhood poverty: A statistical update* [Fact Sheet]. New York, NY: National Center for Children in Poverty, Columbia School of Public Health.

National Center for Children in Poverty. (1997). *Poverty and brain development in early childhood* [Fact Sheet]. New York, NY: National Center for Children in Poverty, Columbia School of Public Health.

22. Collins, A. & Gilman, E. (Forthcoming). *Building a knowledge base: An agenda for child care policy research.* Washington, DC: U.S. Department of Health and Human Services, Administration for Children and Families, Child Care Bureau. This report is based on deliberations of the Child Care Bureau Leadership Forum conference: Child Care Policy Research, sponsored by the Child Care Bureau, U.S. Department of Health and Human Services, October 27–28, 1998, in Arlington, Virginia.

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